Settlement of Bhopal gas case

2027. SHRI SHREEGOPAL VYAS:
SHRI BALAVANT *ALIAS* BAL APTE:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are trying to enter into out of court settlement with Dow in Bhopal gas case; and

(b) if so, the reasons therefor and what would happen to the issue of clearing of contamination in the vast area?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) No, Sir.

(b) Does not arise.

Prices of medicines

†2028. SHRI PYARELAL KHANDEWAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that despite of all efforts by Government the increasing prices of medicines are not checked;

(b) whether it is also a fact that there is no control of Government on the prices of new medicines being brought in the market by the companies in the name of safety;

(c) if not, the details thereof; and

(d) whether Government propose to control the prices of all life saving medicines being sold in the country?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (d) 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed/ revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95. Under Para 19 of the DPCO,95, 16% margin to retailer is allowed in respect of Scheduled formulations.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures where the public interest is found to be adversely affected.

The Drugs (Prices Control) Order, 1995 does not distinguish between life saving and other drugs. There are no specific norms or guidelines to determine as to which drug can be classified as life saving drugs. Every drug in general is considered useful in saving and prolonging of life.

---

†Original notice of the question was received in Hindi.

To make available life saving and essential drugs at reasonable prices to the poor, the draft National Pharmaceuticals Policy-2006 proposes, *inter alia,* that the basket for price control would be the essential medicines as contained in the National List of Essential Medicines, 2003 in addition to 74 drugs which are at present under price control under the Drugs (Prices Control) Order, 1995.

Draft National Pharmaceutical Policy was considered by the Cabinet at its meeting held on 11.1.2007. The Cabinet has referred the Policy to Group of Ministers (GOM). The First meeting of the GOM was held on 10.4.2007. No time frame has been set for finalizing the National Pharmaceuticals Policy.

Price hike of medicines

2029. SHRIMATI SHOBHANA BHARTIA:
PROF. ALKA BALRAM KSHATRIYA:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have fixed prices of nine commonly-used drugs and whether it has been noticed that prices have shot up for no valid reasons;

(b) whether the National Pharmaceutical Pricing Authority has asked major companies including Novartis, Ranbaxy, Nicholas Piramal and USV Ltd. to revise medicine prices downwards to the levels fixed by the body; and

(c) if so, whether the NPPA has taken decision to fix prices and has directed companies to make the relevant changes in their MRP and the range of reduction varies between 0.7-23 percent?

THE MINISTER OF STATE IN THE MINISTRY CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) National Pharmaceutical Pricing Authority (NPPA) has fixed prices of 9 non-Scheduled formulations on 13.06.07 & 27.06.07 and subsequently another 11 non-Scheduled formulations on 30.07.07 under para 10(b) of Drugs (Prices Control) Order, 1995(DPCO, 1995) where it was noticed that the prices had increased by more than 20% in a period of 12 months on the basis of IMS data.

(b) and (c) NPPA has directed all the manufacturing companies concerned to sell the relevant products at the MRP fixed by NPPA. The range of price reduction on the above said 20 products varies between 0.76% to 36.23%.

Revival of sick units

2030. SHRIMATI SHOBHANA BHARTIA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have kicked off the process to revive seven sick units of the Hindustan Fertilizer Corporation Ltd. and the Fertilizer Corporation of India;

(b) whether to begin with, the department of fertilizers has roped in State-run Projects and Development India Ltd., a leading consultancy in the sector, to help to expedite the revival process; and